Department of Administration **BUDGET OFFICE** One Capitol Hill Providence, R.I. 02908-5886

Memorandum

To:

The Honorable Steven M. Costantino

Chairman, House Finance Committee

The Honorable Daniel DaPonte

Chairman, Senate Finance Committee

From:

Executive Director/State Budget Officer

Date:

January 11, 2010

Subject:

Amendments to Article 13 of FY 2010 Supplemental Appropriations

Act

The Governor requests that two amendments be made to Article 13 of the FY 2010 revised Appropriations Act, entitled "Relating to Municipal Retirement" be amended as shown below, with the new language indicated by shading.

In SECTION 2, insert "(a)" before the word "Upon" as indicated below:

§ 45-21-22. Accidental disability allowance. - (a) Upon retirement for accidental disability, a member receives a retirement allowance equal to sixtysix and two-thirds percent (66 2/3%) of the rate of the member's compensation at the date of the member's retirement subject to the provisions of § 45-21-31.

In SECTION 5, change the underlined sentence from:

"All provisions of Title 45 of the RI General Laws including but not limited to 45-21-52, 45-21.1-5, and 45-21.2-5 authorizing or requiring cost of living adjustments for retired municipal, fire, or police employees are eliminated for all such employees not eligible to retire on the effective date of this Article."

to the following:

"Provisions of Title 45 of the RI General Laws including but not limited to 45-21-52, 45-21.1-5, and 45-21.2-5, authorizing or requiring cost of living adjustments for retired municipal, fire, or police employees shall not apply to any such employee who has completed at least ten (10) years of contributory service by July 1, 2010."

The first amendment is a technical amendment that corrects formatting of the article. The second amendment is to make the municipal COLA initiative reasonably consistent with previously enacted COLA changes relating to state employees and teachers.

If you have any questions regarding the amendments to Article 13, please feel free to call me or Peder Schaefer at 222-7700.

RBG:sm 10-07 Attachment

cc:

Representative Robert A. Watson

Senator Dennis L. Algiere Sharon Reynolds Ferland

Peter Marino Michael Cronan Peder Schaefer Gregory Stack